

ASSEMBLY BILL

No. 793

Introduced by Assembly Member Strickland

February 22, 2007

An act relating to taxation.

LEGISLATIVE COUNSEL’S DIGEST

AB 793, as introduced, Strickland. Property taxation: affordable housing assessments.

The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, existing property tax law defines “full cash value” as the assessor’s fair market value valuation of real property as shown on the 1975–76 tax bill under “full cash value” or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred.

This bill would state the intent of the Legislature to enact the necessary statutory changes to provide that if a homeowner is participating in an affordable housing program, that homeowner’s dwelling will be taxed under the ad valorem property tax at the value the homeowner paid for the dwelling rather than the fair market value of the dwelling.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. It is the intent of the Legislature to enact the
- 2 necessary statutory changes to provide that if a homeowner is
- 3 participating in an affordable housing program, that homeowner’s

- 1 dwelling shall be taxed under the ad valorem property tax at the
- 2 value the homeowner paid for the dwelling rather than the actual
- 3 fair market value of the dwelling.